

BRIEFING: FEBRUARY 3rd AGENDA ITEM #5

TO: Chairman Pringle and Authority Board Members

FROM: Jeffrey M. Barker - Deputy Executive Director for Communications, Policy

and Public Outreach

DATE: 2/3/2011

RE: Current California High-Speed Rail Authority Legislative Report

Summary:

There are (10) bills that have been introduced thus far in the legislative session related directly to high-speed rail. Most have not even been referred to committee at this point, and so Staff is not recommending that the Board take a position on them, except where it is obvious that the Board would be opposed to the policy positions, such as in the case of bills that propose to kill the high-speed rail project outright.

Later in the Legislative session, staff will bring to the Authority Board bills that have progressed with the ask for an official position on the bills.

Existing Bills and Their Status:

AB16

Author: Perea (D)

Summary: Would require the Authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws.

Vote: majority. **Appropriation:** no. **Fiscal committee:** yes. **State-mandated local program:** no. **Current Status:** Referred to Assembly Committee on Transportation January 24, 2011

AB31

Author Beall (D)

Summary: Establishes the High-Speed Rail Local Master Plan Pilot Program, applicable to specified cities and counties, and would require each of those jurisdictions to prepare and adopt, by ordinance, a master plan for development in the areas surrounding the high-speed rail system in each jurisdiction. The bill would require the master plan to include incentives for encouraging investment and coherent growth in the areas surrounding the high-speed rail system in each participating jurisdiction. The bill would also require the participating jurisdictions to collaborate with the State Air Resources Board to develop incentives to encourage development while concurrently reducing greenhouse gas emissions, consistent with or pursuant to the California Global Warming Solutions Act of 2006. The bill would require the master plan to be consistent with the jurisdiction's general plan and the regional sustainable communities' strategy. By adding to the

duties of local government officials, this bill would impose a state-mandated local program. This bill would make legislative findings and declarations as to the necessity of a special statute for the cities and counties described above.

Vote: majority. **Appropriation:** no. **Fiscal committee:** yes. **State-mandated local program:** yes. **Current Status:** First Reading December 6, 2010. May be heard in committee January 6, 2011

AB41

Author: Hill (D)

Summary: Would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly. Existing law makes a violation of the Political Reform Act of 1974 subject to administrative, civil, and criminal penalties. This bill would impose a statemandated local program by exposing these members to potential criminal penalties for failing to make the disclosures and recuse themselves where required by this bill. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: 2/3. **Appropriation:** no. **Fiscal committee:** yes. **State-mandated local program:** yes **Current Status:** Referred to Assembly Committee on Elections and Redistricting January 24, 2011.

AB58

Author: Galgiani (D)

Summary: Would authorize the Governor to appoint up to 8 deputy directors exempt from civil service who would serve at the pleasure of the executive director. This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. **Appropriation:** no. **Fiscal committee:** yes. **State-mandated local program:** no. **Current Status:** Referred to Assembly Committee on Transportation January 27, 2011

AB76

Author: Harkey (R)

Summary: This bill would reduce the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of January 1, 2012.

Vote: majority. Appropriation: no. Fiscal committee: yes State-mandated local program: no **Current Status:** Referred to the Assembly Committee on Transportation January 27, 2011

AB133

Author: Galgiani (D)

Summary: This bill would require federal funds made available to the state for high-speed rail purposes under the above-referenced federal acts to be available, upon appropriation; for certain work on one or more specified rail corridors approved by the Federal Railroad Administration, in a manner consistent with certain provisions of, and subject to certain conditions of, the bond act. **Vote:** majority. **Appropriation**: no. **Fiscal committee:** yes **State-mandated local program:** no. **Current Status:** First reading January 12, 2011. This bill may be heard in committee February 12, 2011

AB145

Author: Galgiani (D)

Summary: Would transfer certain of the existing powers and responsibilities of the Authority to the department and would specify additional powers and duties of the Authority and department relative to implementation of the high-speed rail project, including the annual submission of a 6-year high-speed train capital improvement program

and progress report to the Legislature. The director of the department would be appointed by the Governor, who would serve at the pleasure of the authority, and the Governor would be authorized to appoint up to 10 officers of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project. The bill would enact other related provisions.

Vote: majority. **Appropriation:** no. **Fiscal committee**: yes. **State-mandated local program**: no **Current Status:** First reading January 13, 2011. This bill may be heard in committee February 13, 2011.

SB15

Author: DeSaulnier (D)

Summary: This bill would require the budget submitted by the Governor to contain itemized statements, provisional language, performance measurement standards for state agencies and programs, recommended state expenditures, and a projection of anticipated state revenues, including revenues anticipated to be one-time revenues. In addition, the bill would require the budget to contain an estimate of the total resources available for the state expenditures recommended for the budget year and the succeeding fiscal year, and would further require the budget to contain a projection of anticipated state expenditures and anticipated state revenues for the 3 fiscal years following the fiscal year succeeding the budget year, along with budget-related plans and proposals for those 3 fiscal years. In the event recommended expenditures exceed estimated revenues, the Governor would be required to recommend reductions in expenditures or the sources from which the additional revenues should be provided and to include an estimate of the long-term impact that the expenditure reductions or additional revenues will have on the state economy. The Governor would also be required to submit with the budget any legislation necessary to implement appropriations contained in the budget, together with a 5-year capital infrastructure and strategic growth plan. If the Governor's budget proposes to create a new state program or agency, or to expand the scope of an existing state program or agency, resulting in a net increase in state costs during the budget year or the succeeding fiscal year, or proposes to reduce a state tax resulting in a net decrease in state revenue in the budget year or the succeeding fiscal year, the proposal would be required to be accompanied by a statement identifying state program reductions or sources of additional state revenue in an amount that is equal to or greater than the net increase in state costs or net decrease in state revenue. The bill would also require the Director of Finance to provide to the Legislature, on or before October 15 of each year, updated projections of state revenues and state expenditures for the current fiscal year and for the ensuing fiscal year. This bill contains other related provisions.

Vote: majority. **Appropriation:** no. **Fiscal committee:** yes. **State-mandated local program:** no. **Current Status:** Referred to the Senate committee on Governance and Finance January 20, 2011.

SB22

Author: La Malfa (R)

Summary: Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. This bill would state the intent of the Legislature to reexamine the bond funding mechanism of the authority relative to the authority's high-speed rail project.

Vote: majority. **Appropriation:** no. **Fiscal committee:** no. **State-mandated local program:** no. **Current Status:** Referred to the Senate Committee on Rules January 20, 2011

SB50

Author: Correa (D)

Summary: This bill would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly. This bill contains other related provisions and other existing laws.

Vote: 2/3. **Appropriation**: no. **Fiscal committee:** yes. **State-mandated local program:** yes. **Current Status:** Referred to the Senate committee on Elections and Constitutional Amendments January 20, 2011.

Recommendation:

This is an information briefing. Staff will bring back to the Board recommendations on bills later in the legislative session.